

BUDGET COMMITTEE REPORT ON PROPOSED CHANGES TO COUNCIL OPERATING PROCEDURES

The Budget Committee (BC) met on April 8, 2016 to discuss membership issues, potential changes to Council Operating Procedures (COP) 1: General Council Meeting Operations, and COP 9: Management and Activity Schedules.

Draft COP 1 Budget Committee Membership Guidelines

Proposed changes to COP 1 related to membership terms for the Budget Committee, which is a standing committee made up of Council members. According to the Council's Statement of Organization, Practices, and Procedures (SOPP), standing committee members are appointed by the Council Chair and can consist of Council members or a combination of Council and non-Council members.

There are no COP guiding membership for the Budget Committee or other standing committees. Since at least the year 2000, the BC has always included the Council Chair, the Pacific States Marine Fisheries Commission (PSMFC) designee, and the National Marine Fisheries Service (NMFS) Regional designee(s), and has variably included between one and four other Council members. Starting in November 2006, one seat has been designated for collective representation of the three coastal state agencies.

The following language was proposed by the BC for Council consideration as an additional section for inclusion in COP 1:

STANDING COMMITTEES

Standing committees can consist of Council members or a combination of Council and non-Council members. Members are appointed by the Council Chair and serve indefinite terms.

Budget Committee

The Budget Committee shall be composed of Council members or Council-member designees and have no more than seven members, among whom include:

- The Council Chair;
- One member from each state, which could be an agency director/designee, an obligatory or at-large appointee. The Council Chair could serve as one of these members;
- One at-large member
- A representative of the Pacific States Marine Fisheries Commission and;
- A representative of the National Marine Fisheries Service West Coast Region.

The Budget Committee shall elect its chair and vice-chair from among its members. Appointments and election of officers shall generally occur at the June or September Council meetings.

Because membership changes are recommended to generally occur at the June or September Council meeting, Chair Lowman will continue to serve as interim BC Chair until that time.

Draft COP 9 Financial Management Activity Schedule Guidelines

The Council's Financial Management Procedures state, "Budgets will be distributed to the Budget Committee and approved by the Council Members generally during the meetings held in June, September and November of each year. Special Budget Committee meetings will be held on an as needed basis as determined by the Budget Committee Chair." The only mention of fiscal matters in the COPs is in COP 9, Management and Activity Cycles, which states: "November...Annually provide guidance on administrative and programmatic budget issues."

The BC is recommending more detailed guidelines be incorporated into COP 9, which would govern activities related to development, review, and approval of five-year grant proposals, annual Council budgets, and the annual audit. The BC reviewed Agenda Item C.6.a, Attachment 1, and recommends the following revisions be incorporated into that document and considered for adoption at the June 2016 Council meeting:

- Under the Five-Year Grant section, delete the last paragraph relating to review of the grant extension application
- Under the Annual Budget section for November delete the phrase ...at the earliest opportunity, including potentially at the same meeting...

The BC felt that the extension application was just an administrative task and did not necessitate Council input. The guidance under the Annual Budget section for November was not optional for an implementation date of January 1 so that language was superfluous. The proposed changes to Attachment 1 are provided in Agenda Item C.6, Supplemental Attachment 2 for the purposes of making a document available for public review.

PFMC
04/14/16